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THE SUCCESSOR PROGRAMMING ARRANGEMENTS

Preliminary earmarkings for the target for resource assignment from the core for the period 2001-2003

I. PURPOSE

1. In its decision 99/2, the Executive Board requested the Administrator to calculate earmarkings for the target for resource assignment from the core under line 1.1.1 (TRAC-1) and to proceed with programme planning and implementation for the period 2001-2003 on that basis.

2. The earmarkings have been calculated in accordance with the distribution methodology approved in decision 95/23 and modified in decisions 99/2 and 98/19. The calculations incorporate 1997 basic data or latest available estimates for that year, and are based on an annual resource target of $1.1 billion.

3. The preliminary TRAC-1 earmarkings covering the three-year period 2001-2003 are presented for the information of the Executive Board in the accompanying tables. Final earmarkings to be submitted to the second regular session 2000 will take into account possible revisions in gross national product (GNP) per capita (as outlined in paragraph 9 below).

II. OVERVIEW OF THE EARMARKING TABLES

4. The preliminary earmarkings are presented in three separate tables, each of which includes additional explanatory footnotes. The content of these tables is described briefly below.

5. It should be noted, however, that the Administrator is authorized to adjust programming levels on a proportionate basis in line with estimates of resource availability for the period vis-à-vis the planning target (in accordance with paragraph 25 of decision 95/23). Thus, in releasing resources for programming for the year 2001, the annualized TRAC earmarkings shown in tables 2 and 3, as well as the earmarkings for all other programme lines of the financial framework, will be adjusted on an across-the-board basis, in keeping with the latest estimates of voluntary contributions and taking into account the provisions of the biennial budget approved by the Executive Board.

A. Table 1: Total TRAC 1 and 2 earmarking for 2001-2003 and the resulting preliminary distribution by category of country and by region

6. This table shows the total amount earmarked under the core resource financial framework for lines 1.1.1 and 1.1.2 (TRAC 1 and 2) for the period 2001-2003. As approved in decision 98/19 (paragraphs 4 and 5), this amount incorporates the transfers to TRAC 1 and 2 from the support cost lines, as well as the inclusion of "other resources" as noted in paragraph 88, footnote 11, of document DP/1998/34.

7. An unallocated TRAC reserve of $30 million is being established for the period 2001-2003. The reserve will finance, inter alia, any adjustments in TRAC-1 earmarkings that result from changes to 1997 GNP per capita data (see section B below), and any TRAC requirements relating to net contributor countries (see paragraphs 10-14 below).

8. The resulting distribution of the total amount for TRAC 1 and 2 by category of country and by region is derived from the preliminary TRAC-1 earmarkings by country shown in table 2. Thus the distributions by category and region are also considered preliminary.

B. Table 2: Preliminary TRAC-1 earmarkings by country for 2001-2003

9. This table shows the preliminary TRAC-1 earmarkings for individual countries for the three-year period 2001-2002. The earmarkings are considered preliminary because, consistent with past practice, changes to GNP per capita for the base year (1997) can be considered within one year after the original calculation. See paragraph 4 of Governing Council decision 88/8; and decisions 93/24 and 92/30 in which the Executive Board took note of paragraph 17 of document DP/1993/21, and paragraph 13 of document DP/1992/22. This is done if there is a variance of at least 10 per cent from the figure originally used, or if the revised GNP per capita falls below one of the thresholds used in the calculations or to establish government local office cost (GLOC) obligations. No downward adjustment of preliminary figures are made where there are increases in the GNP per capita.

C. Table 3: TRAC-1 earmarkings for new net contributor countries for 2001-2003, and reimbursable TRAC-1 for the year 2000

10. In its decision 99/2, the Executive Board decided that net contributor countries (NCCs) are to be treated as a separate group of programme countries outside the TRAC distribution model. Hence the TRAC-1 earmarkings and other arrangements pertaining to NCCs are presented in a separate table. Any TRAC-1 requirements for NCCs are to be funded from the amount of unallocated TRAC reserve as indicated in paragraph 6 of this document.

11. In its decision 99/2, the Executive Board also specified that from 2001, reimbursable TRACs will no longer be calculated for existing NCCs. First-time NCCs will continue to receive a TRAC-1 earmarking for a three-year grace period, calculated at 60 per cent of the previous earmarking. This grace period also applies to partial waivers of GLOC obligations. The Board also endorsed the possible establishment of a locally reimbursed revolving TRAC (LRRT) in all interested NCCs, as described in paragraph 10 of decision 99/2.

12. In line with these arrangements, table 3 shows the complete list of NCCs as of 2001, based on 1997 GNP per capita data and the current threshold of $4,700. (Revised GNP per capita data that may become available during the remainder of 1999 will be taken into account as described in paragraph 9 above). An NCC may wish to establish an LRRT, using for this purpose any provisions that exist for TRAC/reimbursable TRAC, and/or their own resources.

13. As of 2001, there are four new NCCs. Their respective TRAC-1 earmarkings for the grace period 2001-2003 have been calculated at 60 per cent of their previous TRAC-1 earmarking.

14. For the nine countries that became new NCCs in the previous period (1997-1999), the three-year grace period for the calculation of a TRAC-1 earmarking expires at the end of 1999. Since reimbursable TRACs are eliminated with effect from 2001, these nine NCCs are eligible for a reimbursable TRAC-1 in the year 2000. The reimbursable TRAC-1 for these nine NCCs is equal to the respective annualized TRAC-1 actually released in the previous period (1997-1999). The NCCs that were eligible for a reimbursable TRAC-1 in the previous period also continue to be eligible in the year 2000.

III. EXECUTIVE BOARD ACTION

15. The Executive Board may wish to take note of the preliminary TRAC-1 earmarkings provided in the accompanying tables.

Table 1. Total TRAC 1 and 2 earmarking for 2001-2003 and the resulting preliminary distribution by category of country and by region
(in millions of dollars)

Total earmarking for TRAC-1 and 2	1 738.8 a/	
	$	As percentage of total TRAC
Categories		
Low-income countries b/	1 530.1	88.0
Middle-income countries	208.7	12.0
LDCs	1 068.6	61.5
Regional distribution		
Africa	843.7	48.5
Asia and the Pacific	526.3	30.3
Arab States	140.8	8.1
Latin America and the Caribbean	85.2	4.9
Europe and the Commonwealth of Independent States	142.8	8.2
Total	1 738.8	100.0

a/ This amount is equal to 53.6 per cent of the resources covered by the financial framework and incorporates transfers approved in paragraphs 4 (a) and 5 (b) of decision 98/19; it does not include, however, the unallocated reserve of $30 million for TRAC 1 and 2 that has been established for the 2001-2003 period.

b/ Low-income countries with a GNP per capita of $375 or less receive $1 124 million or 64.6 per cent of total TRAC.

Table 2. Preliminary TRAC-1 earmarkings by country for 2001-2003

Region	Country (least developed countries (LDCs) are indicated with an asterisk)	1997 GNP per capita a/ dollars	TRAC-1 millions of dollars
Africa	* ANGOLA	260	17.927
	* BENIN	380	9.787
	BOTSWANA	3 310	0.895
	* BURKINA FASO	250	18.118
	* BURUNDI	140	16.197
	CAMEROON	620	7.698
	* CAPE VERDE	1 090	1.177
	* CENTRAL AFRICAN REPUBLIC	320	8.439
	* CHAD	230	14.310
	* COMOROS	400	2.809
	CONGO	670	3.241
	CÔTE D'IVOIRE	710	7.623
	* DEMOCRATIC REPUBLIC OF THE CONGO	110	34.152
	* EQUATORIAL GUINEA	1 060	2.064
	* ERITREA	230	10.483
	* ETHIOPIA	110	38.528
	GABON	4 120	0.316
	* GAMBIA	340	5.741
	GHANA	390	11.680
	* GUINEA	550	8.464
	* GUINEA-BISSAU	230	6.968
	KENYA	340	14.535
	* LESOTHO	680	4.149
	* LIBERIA	490 b/	5.957
	* MADAGASCAR	250	18.948
	* MALAWI	210	19.195
	* MALI	260	17.637
	* MAURITANIA	440	5.963
	MAURITIUS	3 870	0.483
	* MOZAMBIQUE	140	23.955
	* NAMIBIA	2 110	1.465
	* NIGER	200	18.962
	NIGERIA	280	30.508
	* RWANDA	210	16.294
	* SAO TOME AND PRINCIPE	290	1.348
	* SENEGAL	540	10.024
	* SIERRA LEONE	160	13.056
	SOUTH AFRICA	3 210	2.940
	SWAZILAND	1 520	0.642
	* TOGO	340	9.089
	* UGANDA	330	18.255
	* UNITED REPUBLIC OF TANZANIA	210	25.081
	* ZAMBIA	370	13.581
	ZIMBABWE	720	7.561
Africa total			506.245

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Table 2 (continued)

Region	Country (least developed countries (LDCs) are indicated with an asterisk)	1997 GNP per capita a/ dollars	TRAC-1 millions of dollars
Asia and the Pacific	* AFGHANISTAN	260 b/	21.370
	* BANGLADESH	360	36.454
	* BHUTAN	430	5.693
	* CAMBODIA	300	16.436
	CHINA	860	32.053
	COOK ISLANDS	3 150 b/	0.134
	DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	860 b/	5.582
	FEDERATED STATES OF MICRONESIA	1 920	0.198
	FIJI	2 460	0.328
	INDIA	370	47.790
	INDONESIA	1 110	13.126
	IRAN (ISLAMIC REPUBLIC OF)	1 780	1.452
	* KIRIBATI	910	0.567
	* LAO PEOPLE'S DEMOCRATIC REPUBLIC	400	8.633
	MALAYSIA	4 530	0.966
	* MALDIVES	1 180	1.100
	MARSHALL ISLANDS	1 610	0.193
	MONGOLIA	390	5.005
	* MYANMAR	300 b/	25.061
	* NEPAL	220	22.274
	NIUE	2 310 b/	0.096
	PAKISTAN	500	21.501
	PALAU	4 060 b/	0.046
	PAPUA NEW GUINEA	930	4.101
	PHILIPPINES	1 200	7.209
	* SAMOA	1 140	0.786
	* SOLOMON ISLANDS	870	1.048
	SRI LANKA	800	8.179
	THAILAND	2 740	3.225
	TOKELAU	1 020 b/	0.202
	TONGA	1 810	0.204
	* TUVALU	1 190 b/	0.267
	VANUATU	1 340	0.369
	VIET NAM	310	24.128
Asia and the Pacific total			315.776

Table 2 (continued)

Region	Country (least developed countries (LDCs) are indicated with an asterisk)	1997 GNP per capita a/ dollars	TRAC-1 millions of dollars
Arab States	ALGERIA	1 500	1.334
	* DJIBOUTI	790 b/	1.678
	EGYPT	1 200	7.568
	IRAQ	2 450 b/	0.978
	JORDAN	1 520	1.001
	LEBANON	3 350	0.952
	MOROCCO	1 260	3.877
	* SOMALIA	140 b/	21.340
	* SUDAN	290	20.966
	SYRIAN ARAB REPUBLIC	1 120	4.940
	TUNISIA	2 110	0.985
	* YEMEN	270	18.837
Arab States total			84.455
Latin America and the Caribbean	BELIZE	2 670	0.127
	BOLIVIA	970	5.265
	COLOMBIA	2 180	1.445
	COSTA RICA	2 680	0.595
	CUBA	1 450 b/	1.758
	DOMINICA	3 040	0.151
	DOMINICAN REPUBLIC	1 750	2.201
	ECUADOR	1 570	1.749
	EL SALVADOR	1 810	1.368
	GRENADA	3 140	0.159
	GUATEMALA	1 580	1.468
	GUYANA	800	2.539
	* HAITI	380	12.235
	HONDURAS	740	4.393
	JAMAICA	1 550	0.563
	MEXICO	3 700	1.864
	* NICARAGUA	410	8.314
	PANAMA	3 080	0.438
	PARAGUAY	2 000	0.725
	PERU	2 610	1.642
	SAINT LUCIA	3 510	0.143
	SAINT VINCENT AND THE GRENADINES	2 420	0.237
	SURINAME	1 320	0.440
	TRINIDAD AND TOBAGO	4 250	0.325
	VENEZUELA	3 480	0.988
Latin America and the Caribbean total			51.133

Table 2 (continued)

Region	Country (least developed countries (LDCs) are indicated with an asterisk)	1997 GNP per capita a/ dollars	TRAC-1 millions of dollars
Europe and the Commonwealth of Independent States	ALBANIA	760	4.330
	ARMENIA	560	4.566
	AZERBAIJAN	510	7.324
	BELARUS	2 150	0.835
	BOSNIA AND HERZEGOVINA	530 b/	3.942
	BULGARIA	1 170	3.578
	CROATIA	4 060	0.511
	ESTONIA	3 360	0.378
	GEORGIA	860	5.599
	HUNGARY	4 510	0.834
	KAZAKSTAN	1 350	2.302
	KYRGYSTAN	480	5.737
	LATVIA	2 430	0.504
	LITHUANIA	2 260	0.788
	POLAND	3 590	1.181
	REPUBLIC OF MOLDOVA	460	5.705
	ROMANIA	1 410	1.720
	RUSSIAN FEDERATION	2 680	2.024
	SAINT HELENA	640 c/	0.287
	SLOVAK REPUBLIC	3 680	0.561
	TAJIKISTAN	330	8.454
	THE FORMER YUGOSLAV REPUBLIC OF MACEDONI	1 100	2.117
	TURKEY	3 130	1.633
	TURKMENISTAN	640	4.369
	UKRAINE	1 040	8.716
	UZBEKISTAN	1 020	6.838
	YUGOSLAVIA	1 590 b/	0.840
Europe and the Commonwealth of Independent States total			85.671

Grand Total	1 043.280 d/

Footnotes:

a/ World Bank data unless otherwise indicated.

b/ Final 1997 data not yet available; 1997 per capita GNP estimates provided by the World Bank are used.

c/ Final 1997 data not yet available; 1997 per capita GNP estimates as extrapolated from 1994 data are used.

d/ Equal to 60 per cent of total TRAC resources (line 1.1.1 and 1.1.2) of $1,738.8 million.

Table 3. TRAC-1 earmarkings for new net contributor countries for 2001-2003, and reimbursable TRAC-1 for the year 2000

NCC by region	1997 per capita GNP a/	TRAC-1 earmarking for 2001-2003 grace period	Reimbursable TRAC-1 for 2000
	dollars	millions of dollars	
Africa			
SEYCHELLES b/	6 910	-	eligible
Asia and the Pacific			
BRUNEI DARUSSALAM	14 650 c/	-	
NAURU	29 110 d/	-	
REPUBLIC OF KOREA	10 550	-	
SINGAPORE	32 810	-	
Arab States			
BAHRAIN	7 930 c/	-	
KUWAIT	18 320 c/	-	
LIBYAN ARAB JAMAHIRIYA	7 200 c/	-	eligible
OMAN	5 070 c/	-	eligible
QATAR	11 300 c/	-	
SAUDI ARABIA	7 150 c/	-	
UNITED ARAB EMIRATES	18 680 c/	-	
Latin America and the Caribbean			
ANGUILLA b/	6 460 c/	-	eligible
ANTIGUA AND BARBUDA b/	7 380	-	eligible
ARGENTINA b/	8 950	-	eligible
ARUBA	21 170 c/	-	
BAHAMAS	12 470 c/	-	
BARBADOS	6 970 c/	-	eligible
BERMUDA	34 950 c/	-	
BRAZIL c/	4 790	1.500	
BRITISH VIRGIN ISLANDS	17 130 c/	-	
CAYMAN ISLANDS b/	32 120 c/	-	eligible
CHILE c/	4 820	1.001	
MONTSERRAT b/	6 300 c/	-	eligible
NETHERLANDS ANTILLES	11 820 c/	-	
SAINT KITTS AND NEVIS b/	6 260	-	eligible
TURKS AND CAICOS ISLANDS b/	6 740	-	eligible
URUGUAY c/	6 130 c/	0.500	
Europe and the Commonwealth of Independent States			
CZECH REPUBLIC c/	5 240	0.324	
CYPRUS	12 080 c/	-	
MALTA	9 330	-	
SLOVENIA b/	9 840	-	eligible

Footnotes:

a/ World Bank data unless otherwise indicated.

b/ Grace period applies only to 1997-1999.

c/ Final 1997 data not yet available; 1997 per capita GNP estimates provided by the World Bank are used.

d/ Final 1997 data not yet available; 1997 per capita GNP estimates as extrapolated from 1994 data are used.

c/ New NCC as of 2001.